



8-10-1 Contract Modifications and Contract Modification Justifications

Updated November 19, 2021

1.1 Originator

Project Development Section

1.2 Introduction

This section provides guidance on the writing and approval of Contract Modifications and Contract Modification Justifications.

1.3 Process

Contract Change Orders require two documents, the Contract Modification and the Contract Modification Justification. At least one Contract Modification Justification must be submitted with every Contract Modification, so they can be executed. The Contract Modification is generated in FieldManager or created in AASTHOWare Project (AWP) software and the Contract Modification Justification form is found in the Statewide Pantry Forms.

While a Contract Modification may include multiple items, a separate Contract Modification Justification must be created for each new or changed item. The Contract Modification Justification should be created by the project engineer and reviewed and approved by the project manager before the work is done. Depending on the dollar amount and the complexity of the Contract Modification, the PDS supervisor or chief may also need to review the Contract Modification Justification prior to sending the Contract Modification to the contractor. At a minimum, the project engineer or project manager should have a verbal conversation with the supervisor or chief when the dollar amount exceeds the levels requiring their signature, as detailed below under Review and Signatures, or for complex change orders. The Contract Modification Justification is for internal use only, do not share this with the contractor.

Per [CMM 2-38](#), 800 series administrative items are not considered contract change orders to be approved with the contractor to make modifications to the contract, and do not require a Contract Modification Justification. In the SW Region, a Contract Modification and a Contract Modification Justification are recommended to be done for each of these 800 series administrative items. The PDS approval and signature requirements will be the same as with all other Contract Modifications, **except the CMM does not require contractor signatures. It is strongly suggested that these modifications are communicated with the contractor as they are developed in order to minimize disputed payments or quantities during the Finals Process.**

See the [CMM 2-42](#) for guidance on writing a contract modification and determining if it is warranted. Additional information for department staff on contractor markups can be found in the region [Contract Revisions and Prime Contractor Markup](#) document (*link available to internal staff only*). The Field Software User's Guide (found in the Statewide Pantry Manuals and Guides) contains the step-by-step process for creating Contract Modifications in FieldManager. AWP Knowledge Base contains step-by-step instructions for creating a Contract Modification in AWP. The [SW Region Construction Administration Guide \(FieldManager\)](#), [SW Region Construction Administration Guide \(AWP\)](#), and the [SW Region Construction Administration Flowchart](#) provide additional regional guidance on the construction administration process.

For existing projects administered in FieldManager, Contract Modifications must NOT be in Draft Status when turning them in to the contract specialist for execution. The project engineer MUST do a FIT Merge and Send so the contract specialist can see the Contract Modification in Project Tracking.

Reason Codes:

The reason codes shown below in [Table 1.1](#) are to be used for all Contract Modifications. Enter the Reason Code in the Reason box for each new item, changed item and time extension. The entry MUST begin with one of the 2-letter codes listed below followed by the description.

Table 1.1 - Contract Modification Reason Codes (As of 11-14-19)

Required 2-Letter Code	Guidance for usage
CR (Cost Reduction)	Items to compensate the contractor for cost saving proposals per Section 104.10 of the Standard Specifications.
MI (Miscellaneous)	Items not covered by other codes but should not be used as a catch-all. Examples: On-the-job training, time extensions, utility / railroad conflict, abnormal / poor weather

	conditions.
PC (Plan Change)	Addition / deletion of items not originally contemplated or due to a changed condition not known during design but determined to be necessary or advisable to construct the project.
PI (Plan Inadequacy or Omissions)	Addition / deletion of items that are required to build the project but were not included in the contract or were portrayed inaccurately. Plan omissions.
RO (Request by Others)	Post Let items of work added at the request of others, such as a local municipality, the DNR, or other agencies. If requested by anyone in the DOT, this should NOT be used.
SE (Safety Enhancement)	Additions to the contract to safely construct the project. Examples: traffic control items, barrier, or sheeting - if used to improve safety.
SS (Change / Credit Standards & Specs)	Items modified from the original contract due to negotiation of change or acceptance of items of substandard or different specification. Example: defective materials, if allowed to remain; change in the plan to incorporate new standard details; change in material specifications since the contract was let.
UC (Utility Coordination)	Use when contract modification required due to utility conflict or utility work delay.

Review and signatures:

The project engineer sends the draft copy of the Contract Modification and the Contract Modification Justification to the project manager (supervisor or chief as required) for review. For any Contract Modifications that are \$50,000 or more (positive or negative), or any that are for a Cost Reduction Incentive (CRI), the QA Construction Engineer must also be sent a draft copy for review, prior to approval. After the project manager reviews (also supervisor, chief, and QA Construction Engineer, if required), the project engineer then signs the original Contract Modification before sending it to the Prime Contractor for signature. For projects administered in AWP, the contractor will need to approve the contract modification in the system. Contract Modification Justifications will remain separate from the AWP system.

Contractor refusal to sign: Every effort should be made to get the contractor's signature on every Contract Modification. If the contractor refuses to sign, the PDS supervisor may contact the contractor to try to get their signature. If the contractor still refuses to sign the Contract Modification, the supervisor will make note of the refusal where the contractor normally would sign, and the supervisor will initial and date the Contract Modification. It is not acceptable to leave it blank, or to write or stamp that the contractor's signature is not required. The contract specialist will return the Contract Modification to the project manager to ask the supervisor for their comment and initials if this happens, which delays the approval process. For projects administered in AWP, if the prime contractor refuses to approve the Contract Modification then contact the contract specialist.

The project manager and/or supervisor/chief may sign as needed after the Prime Contractor signs the Contract Modification in the field or returns it to the Project staff by email as a pdf.

Electronic signatures are allowed as long as the signatures and numbers are legible. Typing a name on the line is NOT an electronic signature. In AWP, the approvals are completed in the system without signature.

For contracts administered with FieldManager, the project engineer signs on the "Prepared by" line on both the Contract Modification and the Contract Modification Justification. For projects administered in AWP, the system will automatically route to the appropriate signature designee. The net change of a Contract Change Order, whether the amount is positive or negative, determines who is required to sign/approve on the other lines on the Contract Modification and the Contract Modification Justification. The location for each of the signatures should be as follows:

- \$0 - \$25,000 - The PDS project manager (PM) must sign/approve both Contract Modification and Contract Modification Justification.
 - FieldManager: PM signs on "authorized by" on Contract Modification.
 - AWP: PE approves the change order, then Contractor, and then PM.
 - PM signs on "Approved" on Contract Modification Justification.
- \$25,000 - \$50,000 -- PDS supervisor must sign/approve both the Contract Modification and Contract Modification Justification.
 - Filed Manager: PM signs on "recommended by" / Sup signs on "authorized by" on Contract

Modification.

- AWP: PE approves the change order, then Contractor, then PM, and then Supervisor.
- PM signs on “Approved” / Sup signs on second “Approved” on Contract Modification Justification.
- \$50,000 or more -- PDS Section chief must sign/approve both the Contract Modification and the Contract Modification Justification.
 - FieldManager: PM signs on “recommended by” / chief signs on “authorized by” on Contract Modification.
 - AWP: PE approves the change order, then Contractor, then PM, then Supervisor, and then Chief.
 - PM and Supervisor signs on “Approved” / chief signs on second “Approved” on Contract Modification Justification.

For Contract Modifications of \$50,000 or more, the PDS supervisors must review/sign both the Contract Modification and the Contract Modification Justification before sending to the PDS chief for their signature.

Federal Funding and Oversight:

The front cover of the Highway Work Proposal (a.k.a. Special Provisions) will show if the contract has Federal Funding and Federal Oversight.

If there is a Federal ID # listed under the Federal Project ID (3rd column) at the top of the cover, then the contract has Federal Funding.

If the box midway down on the right says, “This contract is exempt from Federal Oversight”, then there is no Federal Oversight. If it says subject to, then it does have Federal Oversight.

Deleted Contract Modifications:

If a Contract Modification is deleted, change the status to “deleted” if left in FieldManager / Project Tracking, otherwise the Contract Modification will show as still “pending”. All Contract Change Orders on projects must be executed before the final estimate can be sent. Delete unused Contract Modifications in AWP before final estimate.

1.4 References

[CMM 2-38](#)

[CMM 2-42](#)

[Standard Specifications 104](#)

[Contract Revisions and Prime Contractor Markup](#) - link available to internal staff only

[SW Region Construction Administration Guide \(FieldManager\)](#)

[SW Region Construction Administration Guide \(AWP\)](#)

[SW Region Construction Administration Flowchart](#)

SW Region Contract Specialist (La Crosse) - Sharayah Sikkema, sharayah.sikkema@dot.wi.gov

SW Region Contract Specialist (La Crosse) - Brandi Patterman, brandi.patterman@dot.wi.gov

SW Region Contract Specialist (Madison) - *currently vacant*

Construction SWIG Review Team (see [SWIG 8-95-5](#))

Barb Gassen

Author

1/23/2017

Date

8-10-5 Electronic Signatures

Updated April 26, 2021

5.1 Originator

Project Development Section

5.2 Introduction

This section discusses acceptable electronic signatures for construction documents, including Contract Modifications and Contract Modification Justifications.

5.3 Process

Electronic signatures are an acceptable method to use for both the state and contractors when signing these documents. DocuSign seems to be the chosen path corporately for WisDOT for many documents.

For instructions on inserting an electronic signature please refer to the [Bluebeam Signature Guidance Document](#).

Other resources are available on the [WisDOT Bluebeam Signature Box Webpage](#).

5.4 References

[Bluebeam Signature Guidance Document](#)

[WisDOT Bluebeam Signature Box Webpage](#)

TSS Survey, Plats, and CADDs Supervisor - Jerry Glentz, jerome.glentz@dot.wi.gov

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3/3/2017

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Date

8-10-10 Negative Semi-Final Estimates

date

10.1 Originator

Project Development Section

10.2 Introduction

This section has not yet been written.

10.4 References

J. Doe

11/22/2016

Author

Date

8-10-15 Extending Time

date

15.1 Originator

Project Development Section

10.3 Process

15.2 Introduction

This section has not yet been written.

15.3 Process

15.4 References

J. Doe

11/22/2016

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Date

8-10-20 Suspending and Resuming Time

date

20.1 Originator

Project Development Section

20.2 Introduction

This section has not yet been written.

20.3 Process**20.4 References**

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8-10-25 Carryover Projects*date***25.1 Originator**

Project Development Section

25.2 Introduction

This section has not yet been written.

25.3 Process**25.4 References**

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8-10-30 Liquidated Damages*date***30.1 Originator**

Project Development Section

30.2 Introduction

This section has not yet been written.

30.3 Process**30.4 References**

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